

Worcester City Council

Guidance for applications for Discretionary Restart Grant

Introduction

1. This guidance is intended to support Worcester-based businesses applying to Worcester City Council (**the Council**) for the Discretionary Restart Grant (DRG) using funding allocated to Local Authorities under the Additional Restrictions Grant (ARG).

The DRG is additional to the COVID-19 Business Restart Grant (BRG) that the Council delivered and closed to applications on 30th June 2021.

2. The DRG scheme will support premises-based businesses and organisations. These are businesses that either operate within their own premises or their client's premises. For those businesses which operate at events, this also includes temporary structures and defined open space which are within the operating boundary of the event.
3. The grant is expected to help those premises-based businesses and organisations that have either re-started and continue to be affected by the impact of COVID-19 or are in the hospitality, leisure and events sector.
4. In addition, the Council will consider applications from businesses/ organisations which have not previously received any ARG Discretionary grant or were not eligible for the Local Restrictions Support Grant during the period of November 2020 – March 2021.
5. This guidance sets out the criteria under which businesses will qualify to make an application to the DRG, and the evidence required to support an application.

Scope and eligibility

6. The Government guidance issued in March 2021 gives the Council discretion over the grant scheme, and its decisions regarding the scheme will be final.
7. The DRG will only be available to premises-based businesses and organisations which are not eligible for the BRG. The Council will, at its own discretion, support businesses/organisations that meet the following criteria:
 - Businesses and organisations without a business rates account and that were mandated to close under the national restrictions from 5 January 2021 (see Appendix 1)
 - Businesses and organisations with a business rates account and that were not eligible for the BRG (see Appendix 2) and provide 'in person services' from their premises and can clearly demonstrate a loss of income during the January – March lockdown and since businesses re-opened in April.

- Businesses and organisations with or without a business rates account and which are in the Events/conference sector or its supply chain **OR** the leisure/hospitality sector or its supply chain.
8. Businesses/organisations which have not previously received any ARG Discretionary Grant or were not eligible for the Local Restrictions Support Grant for the period of November 2020 – March 2021 are eligible for DRG if they were affected by the COVID restrictions. This includes business rates account holders and non-business rates account holders and either premises based or mobile services.
 9. To be eligible to apply for a grant under this scheme, a business or organisation must be trading. For the purposes of this grant scheme, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services in order to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions.

To help further, some trading indicators are included below that can help assess what can be defined as trading for the purposes of the grant schemes. Indicators that a business is trading are:

- The business/organisation has staff on furlough
 - The business/organisation continues to trade online, via click and collect services etc.
 - The business is not in liquidation, dissolved, struck off or subject to a striking-off notice or under notice
 - The business/organisation is engaged in business activity, managing accounts, preparing for reopening, planning and implementing COVID-safe measures
10. Businesses of any size can apply for this grant, subject to meeting the eligibility requirements and provided that they have not exceeded the COVID-19 Business grant subsidy allowance. This includes limited companies, partnerships, sole traders, charities and community interest companies.
 11. Businesses in rateable and non-rateable premises can apply, subject to meeting the eligibility requirements and provided that they have not exceeded the COVID-19 Business grant subsidy allowance. This includes those that do not have their own business rates account.
 12. Eligible businesses may receive more than one DRG if they can demonstrate they trade from separate premises, e.g. business rates account or rental agreement for each premises. A separate application is required for each premises occupied.
 13. Businesses that have applied for the Self Employment Income Support Scheme or the Coronavirus Job Retention Scheme are eligible to apply for this scheme.

14. Businesses that do not operate either within their own premises or their client's premises or the operating boundary of an event are not eligible for this grant. The only exception are businesses which have not previously received any Discretionary Grant or were not eligible for the Local Restrictions Support Grant for the period of November 2020 – March 2021.

Worcester City Council's approach

15. The Council will only consider applications which meet the eligibility criteria. Applicants will be notified if they do not meet the eligibility criteria.

16. Grants will be allocated as follows:

Business rates account		No Business rates account	
Rateable Value	Restart Grant	Turnover p.a.*	Restart Grant
< £15,000	£1,200	<£140,000	£1,200
£15,000 - £50,999	£1,800	£140,000 - £499,000	£1,800
£51,000 or above	£2,700	£500,000 or above	£2,700

*Turnover – based on the previous financial year, prior to COVID. If the business started trading after March 2020, then it will be the most recent turnover.

17. Market Traders

We expect 'regular' traders to be those which, before Covid-19 restrictions, traded most days of the week. Traders that only traded in occasional markets (e.g. once a month) would not be considered 'regular'. The grant amount may be adjusted to reflect the number of days of the week that the market trader operates in Worcester.

18. Bed and Breakfasts

For Bed and Breakfasts to be eligible for the grant, they must meet the requirements of section 66(2) of the Local Government Finance Act 1988 and, consequently, not be liable for non-domestic rates. In summary, the accommodation must be provided for short periods to individuals whose sole or main residence is elsewhere; must not be self-contained self-catering accommodation provided commercially; and must not be provided for more than six persons simultaneously. In addition, the person providing such accommodation should have his or her sole or main residence within the building throughout any period when such accommodation is to be provided.

19. Applicants applying for more than one DRG

The grant amount may be adjusted to reflect the number of days/week occupied at each premises.

20. The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so.

Application process and evidence required

21. Businesses and organisations which have previously received ARG Discretionary grant(s) since November 2020

The Council will contact those businesses and organisations which meet the eligibility criteria for the DRG to request further information. These businesses and organisations are not required to submit a new application.

22. Businesses and organisations which have not previously received any ARG Discretionary grant or were not eligible for the Local Restrictions Support Grant during the period of November 2020 – March 2021

To support your application, we require the following:

- Bank Statements for January – May 2021. Business account statements should be supplied if applicable. If a personal account is used, please highlight on the statement the transactions relating to the business.
- Evidence of business address – if the bank statements do not show the address that the business operates from, then additional evidence is required showing that address e.g. rental agreement, recent rent invoice, utility statement, business rates statement
- Companies house registration number/Unique Tax Reference/Charity Commission number
- Sole traders – correspondence from HMRC to verify the Unique Tax Reference
- Higher level SIC Code
- Date business established
- Business rates/council tax number (if applicable)
- VAT number (if applicable)
- Evidence of turnover (businesses without business rates account) – accounts or self-assessment return for previous financial year if turnover is > £140,000. If the business has been trading less than one year, then management accounts or other evidence to verify turnover
- Confirmation that the business is not eligible for or has received the BRG
- Confirmation of COVID-19 Business grant subsidy allowance compliance.

23. Failure to fully complete the online form and/or submit the required evidence could result in your application being rejected.

24. The Council reserves the right to request additional information so that a decision can be made.

COVID-19 Business grant subsidy allowance

25. There is a requirement for all grants made under this scheme to be COVID-19 Business grant subsidy allowance compliant. Please see the further guidance on this at [COVID-19 Business grant subsidy allowance](#). Businesses which have already received grant payments that equal the maximum levels of COVID-19 Business grant allowance and COVID-19 Business grant special allowance are not eligible for the DRG.

Grant Amounts and how payments will be made

26. The Council will pay the grant amounts set out in grant allocation table with adjustment for market traders and applicants applying for more than one DRG, if required. There will be no additional payments under the DRG.
27. Successful applicants will be notified by letter and asked to provide bank details. Payments will be made directly to the approved recipients' bank accounts by electronic transfer.

Timeline for the grant scheme

28. The timeline for the scheme is:

- Applications open – week commencing 11 July 2021.
- Please allow up to 6 weeks for a decision on your grant application.
- The closing date is 31 January 2022. The Council will close the scheme earlier than this date if all the ARG funding has been allocated.

Other information

29. Grant income received by a business is taxable, therefore funding paid under the DRG will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
30. The Government and the Council will not accept deliberate manipulation and fraud. Any business found to be falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
31. The Council is required to submit the following information to the Department for Business, Energy and Industrial Strategy for monitoring purposes:
- Business contact details – name of business, address, email
 - Grant outcome – awarded/not awarded; amount; date paid
 - Unique identifier – company/charity registration number, unique tax reference VAT registration number
 - Sector
 - Size of business, according to number of employees
 - Date business established

In addition, the Council maybe required to submit information to other Government departments if instructed to do so.

32. The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this scheme.
33. The grant decision made by the Council will be final.

Appendix 1

Non rate paying businesses and organisations that were mandated to close under the national restrictions from 5 January 2021

1. Non-essential retail, such as clothing and homeware stores, vehicle showrooms (other than for rental), betting shops, tailors, tobacco and vape shops, electronic goods and mobile phone shops, auction houses (except for auctions of livestock or agricultural equipment) and market stalls selling non-essential goods.

2. Hospitality venues such as cafes, restaurants, pubs, bars and social clubs; with the exception of providing food and non-alcoholic drinks for takeaway (until 11pm), click-and-collect and drive-through.
3. Accommodation such as hotels, hostels, guest houses and campsites, except for specific circumstances, such as where these act as someone's main residence, where the person cannot return home, for providing accommodation or support to the homeless, or where it is essential to stay there for work purposes.
4. Leisure and sports facilities such as leisure centres and gyms, swimming pools, sports courts, fitness and dance studios, riding arenas at riding centres, climbing walls, and golf courses.
5. Entertainment venues such as theatres, concert halls, cinemas, museums and galleries, casinos, amusement arcades, bingo halls, bowling alleys, skating rinks, go-karting venues, indoor play and soft play centres and areas (including inflatable parks and trampolining centres), circuses, fairgrounds, funfairs, water parks and theme parks.
6. Animal attractions (such as zoos, safari parks, aquariums, and wildlife reserves).
7. Indoor attractions at venues such as botanical gardens, heritage homes and landmarks.
8. Personal care facilities such as hair, beauty, tanning and nail salons. tattoo parlours, spas, massage parlours, body and skin piercing services.
9. Community centres and halls except for a limited number of exempt activities.

Appendix 2

Rate paying businesses and organisations that were not eligible for the BRG

1. Retailers, including food markets, supermarkets, convenience stores, corners shops, off licences, breweries, pharmacies, chemists, newsagents, building merchants, bicycle shops, pet shops, agricultural supply shops, garden centres, mobility support shops
2. Animal rescue centres and boarding facilities
3. Petrol stations, vehicle repair and MOT services, automatic car washes
4. Taxi and vehicle hire businesses
5. Education providers including tutoring services
6. Banks, building societies and other financial providers

7. Post offices
8. Funeral directors
9. Laundrettes and dry cleaners
10. Medical practices and veterinary surgeries. businesses providing dental services, opticians, audiology services, chiropody, chiropractors, osteopaths and other medical or health services, including services which incorporate personal care services, treatments required by those with disabilities and services relating to mental health.
11. Storage and distribution facilities, wholesalers
12. Employment agencies and businesses
13. Office buildings
14. Food kiosks and businesses whose main service is a takeaway
15. Coach tour operators and tour operators
16. Education accommodation, residential homes, care homes, residential family centres